

FISCAL NOTE

HB 1471

February 15, 2007

SUMMARY OF BILL: Authorizes municipalities to adopt purchasing guidelines by ordinance rather than by charter provision. Currently, any municipality whose charter does not include purchasing procedures is governed by the Municipal Purchasing Law of 1983.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent that municipalities adopt purchasing guidelines that are more stringent than those included in the Municipal Purchasing Law of 1983, there is estimated to be a decrease in expenditures for those municipalities. To the extent that municipalities adopt less stringent purchasing guidelines, there is estimated to be an increase in expenditures for those municipalities.

Assumptions:

- Competitive bidding would still be required although the thresholds would be at the discretion of each municipality adopting a purchasing ordinance.
- Municipalities may experience a decrease in expenditures if the regulations concerning advertising are less stringent than those found in the Municipal Purchasing Law of 1983. To the extent that they are more stringent, there may be an increase in expenditures.
- Municipalities may experience a decrease in expenditures if the regulations adopted through ordinance provide a purchasing mechanism that promotes competition among bidders. To the extent that they adopt regulations that inhibit competition among bidders, there may be an increase in expenditures.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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